## The Pink Tax Repeal Act Congresswoman Jackie Speier (CA-14)

## **Background:**

- In 1994, the California Assembly Office of Research conducted a study that found that women pay a "gender tax" of \$1,351/year for the same services as men.
- I subsequently sponsored the "Repeal the Gender Tax Act" in the California Assembly, which passed in 1996 and required that prices for services like dry cleaning and haircuts be determined by the amount of time needed to do the job, not by gender.
- In December of 2015, the New York City Department of Consumer Affairs conducted a <u>study</u> on the gender-pricing of goods marketed to both men and women. It compared nearly 800 products from more than 90 brands sold at two dozen retailers, both online and in stores.
- The study found that women's products cost up to 13% more than similar products for men. In all but 5 of the 35 product categories analyzed, products for female consumers were priced higher than those for male consumers.
- Women in the U.S. who work full-time are typically paid only 80 cents for every dollar paid to their white male counterparts (61 cents for Black women, 58 cents for Native women, and 53 cents for Latinas). Asian women are paid only 85 cents for every dollar, but the wage gap is substantially larger for some subgroups of Asian/Pacific Islander women, with some groups making just over half of what white men make. This means income losses from "gender tax" schemes are even more financially damaging than the raw numbers indicate.

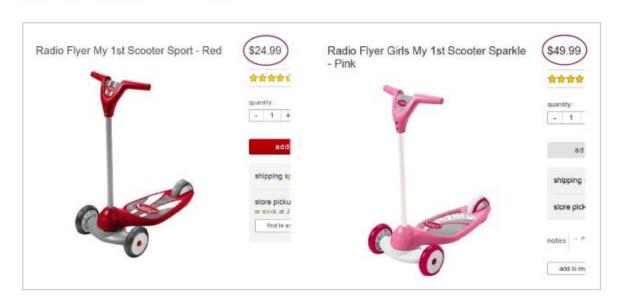
## **Bill Summary:**

In order to discourage unfair pricing practices, the Pink Tax Repeal Act would:

- Prohibit differential pricing of consumer products and services that are substantially similar when pricing differences are based on the gender of consumers.
- Allow the Federal Trade Commission (FTC) to treat and enforce a violation of this act as an unfair or deceptive practice.
- Give State Attorneys General the authority to bring civil action on behalf of state residents in order to compel compliance with the law or obtain damages, restitution, or other compensation on behalf of residents of the State.

## **Examples from New York City's Gender Pricing Study**

Figure 1: Example, Bikes and Scooters<sup>2</sup>



Retrieved from http://www.target.com/p/radio-fiyer-girls-my-1st-scooter-sparkle-pink/-/A-14168217#prodSlot=medium\_1\_28 and http://www.target.com/p/radio-fiyer-my-1st-scooter-sport-red/-/A-14168218#prodSlot=medium\_1\_59 on 10/05/2015.

Figure 6: Example, Razor Cartridges®



<sup>9</sup> Retrieved from http://www.walgreens.com/store/c/schick-hydro-silk-for-women-cartridges/ID=prod6104933-product and http://www.walgreens.com/store/c/schick-hydro-5-cartridge-razor-refills/ID=prod6016280-product on 11/18/2015.